



Charleston Defense Contractors Association

Small Business Industry Outreach Initiative

June 23, 2016

Presented By:

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SPAWAR 2.0

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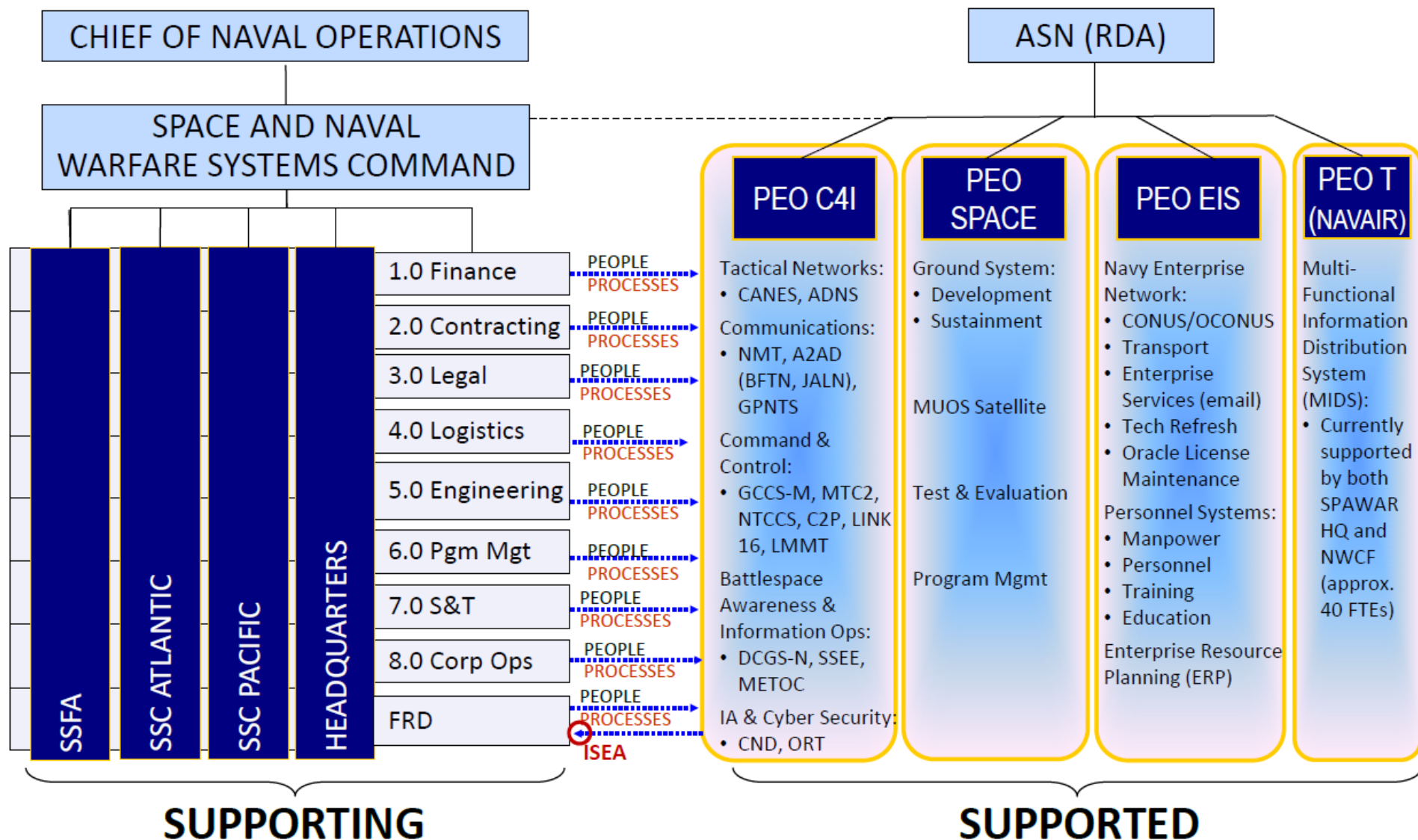
Agenda

- ▼ Overview
- ▼ SPAWAR Strategic Plan – Execution Year 2016
 - Goal 4B – Plan for Success
- ▼ Service Contract Performance Metrics
- ▼ Best Value at SPAWAR
 - Tradeoff vs. Low Price Technically Acceptable
- ▼ Communications with Industry
- ▼ Office of Small Business Programs Focus Areas and Initiatives



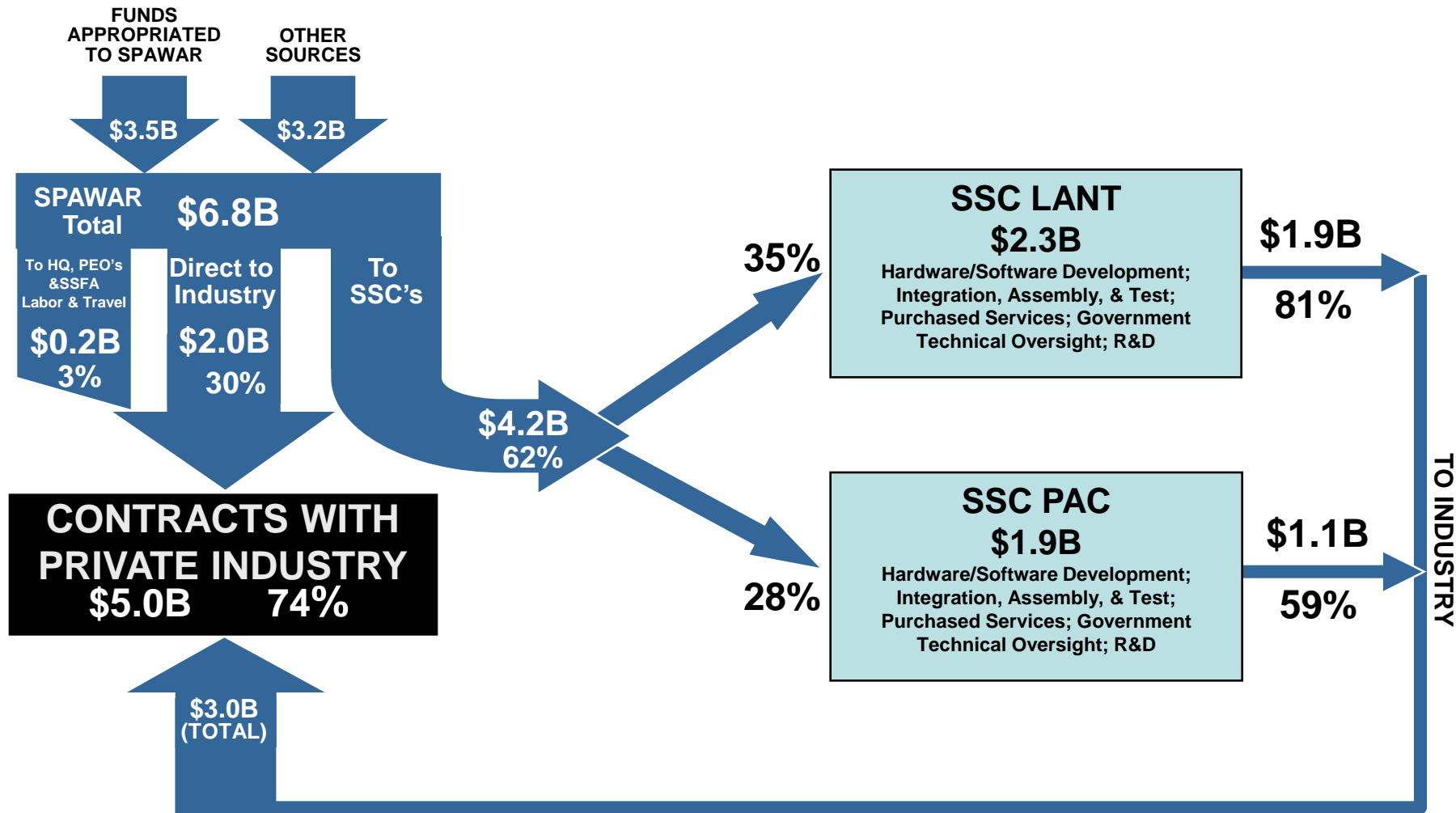
SPAWAR Overview

Supporting & Supported Command Structure





SPAWAR Funds Flow FY 2015



Source: N-ERP

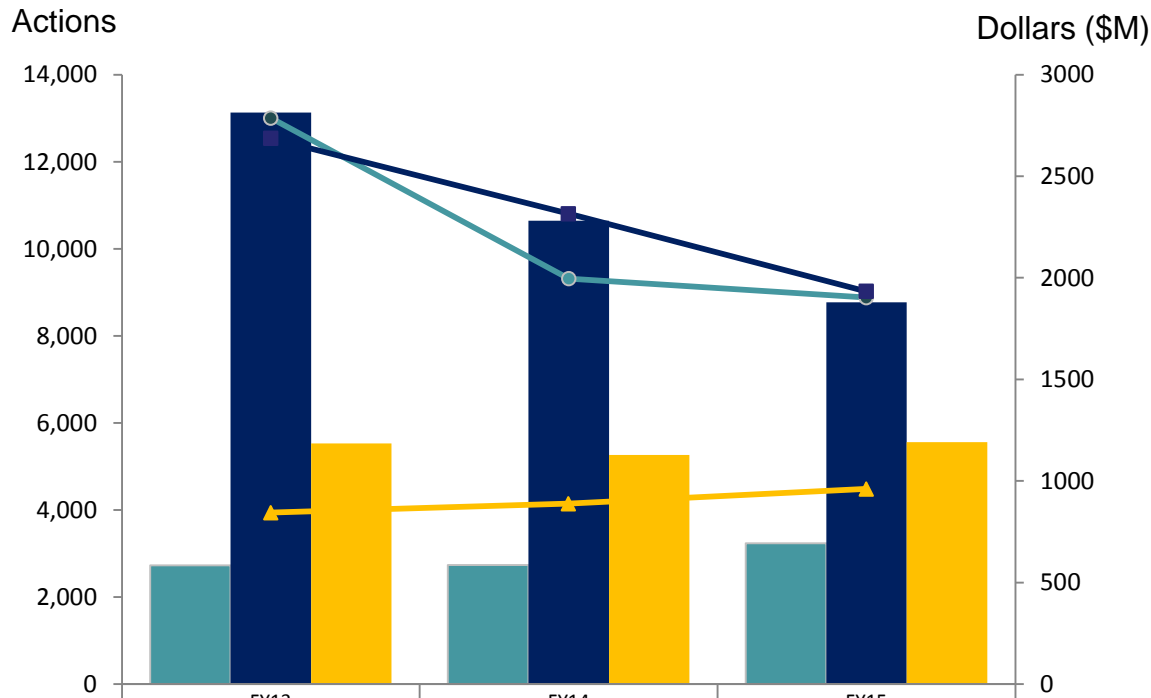
NOTES:

- SSC LANT includes Norfolk and NOLA; SSC PAC includes PAC General Fund (formerly NCTSI)
- Delta between SSC Inflow and Outflow to industry is primarily associated w/ NWCF Labor Costs
- Does not include Carryover



SPAWAR Contracting Workload

FY 2013 – 2015 Trends



FY2016 to Date

Actions: 9,145
Obligations: \$2,996M

Source: FPDS-NG

NOTE:

- SSC LANT includes Norfolk and NOLA

SPAWAR Strategic Plan

Execution Year 2016

VISION: Rapidly Delivering Cyber Warfighting Capabilities from Seabed to Space





Objective 4B

Plan for Success

Objective 4.B

Plan for Success: To reduce rework and optimize resources

Objective Owners

Craig Madsen, Nancy Gunderson, Lisa Ramsey

Objective Overview

Goals: (1) Improve the planning capability and environment within SPAWAR through the development and use of common scheduling tools and practices, (2) Use the planning for new or follow-on contracts as a test case in build-out the planning capabilities, and (3) Commit to mutual-success for the planned work of the Command through Service Level Agreements.

Scope: The scope of this effort will include the development of a SPAWAR scheduling instruction inclusive of a comprehensive set of tools, an implementation plan and improvements to processes used to plan and schedule the work of the Command that allows visibility into and management of those plans and schedules. Ultimately, this objective will lead to the development of common Service Level Agreements (SLAs) to document performance agreement between the supported organizations – the PEOs – and supporting organizations – the Competencies and Systems Centers.

Performance Measures and Effects

Performance Measures:

Common Scheduling Tools and Practices

- Develop and brief the validation (decision) brief to leadership
- Develop SPAWAR Instruction
- Phased implementation of approved management plan

Procurement Planning

- A confirmed baseline of planned contracts for award in FY16 by Mar 2016
- An initial baseline of planned contracts for award in FY17 by Aug 2016; and a re-validated baseline by Dec 2016
- Continuous improvements in gaining earlier visibility into, and agreement on, milestone schedules for each fiscal year's contracts requirements

Development of Common Service Level Agreements (SLAs)

- Established common SLA templates and business rules in FY17
- Documented and rationalized demand signals to assist management with alignment of resources to requirements
- Periodic performance reviews and course corrections in FY17
- Increased insight into customer demand signal to help inform recommendations for changes in service delivery models – phased implementation

Effectiveness Measures:

Common Scheduling Tools and Practices

- Increased efficiency in acquisition, production and installations
- Cost savings
- Resource allocations based on accurate timeline reporting
- Centralized management and use of data base to facilitate decisions

Procurement Planning

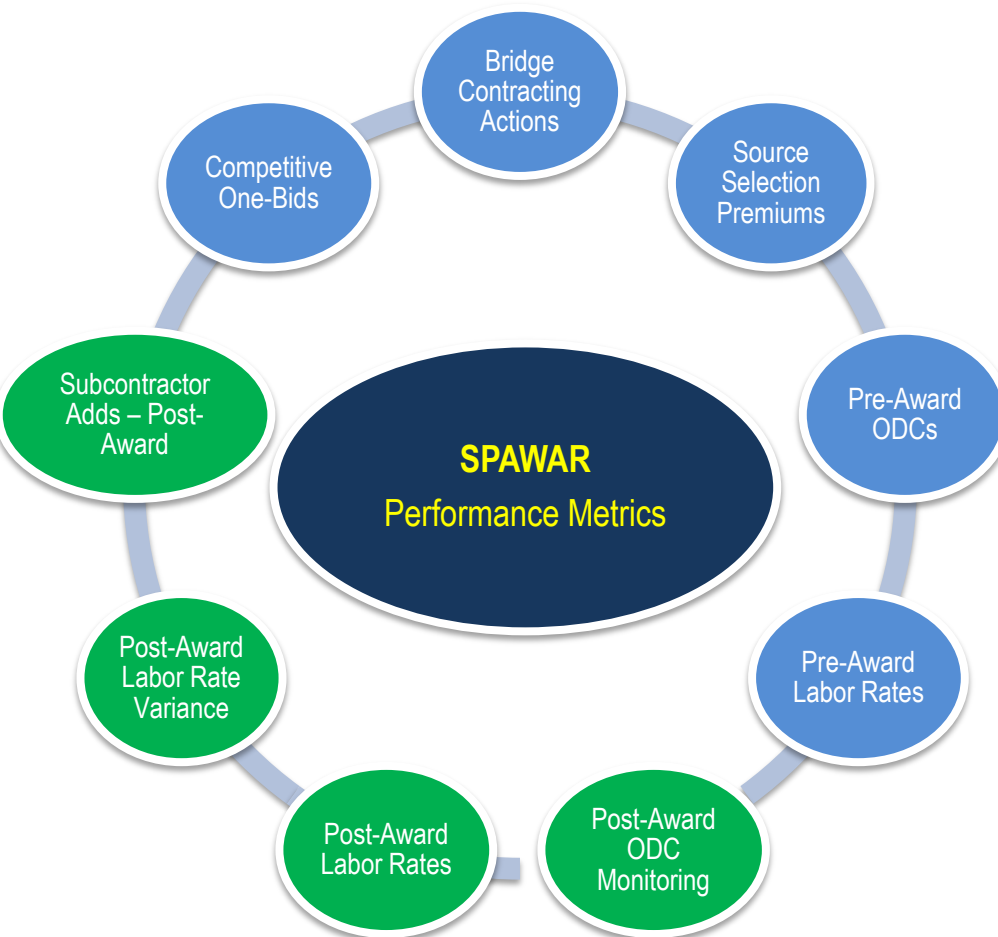
- A more even distribution of the contract workload across the fiscal year
- A reduction in the number of unexpected contract requirements
- Improvement in the percent of time contracts are awarded closer to their originally planned award date than in the past
- Reutilization of data on planned procurements

Development of Common Service Level Agreements (SLAs)

- Clearly defined demand signals and roles, responsibilities, and accountability for funded effort across SPAWAR
- Negotiations and agreements between supported and supporting organizations to ensure best value for required deliverables
- Consistent and streamlined documentation of agreements on task requirements, funding levels and deliverables



Service Contract Performance Metrics



▼ Intent

- Instill Accountability
- Improve Visibility

▼ Updates

- Policy was updated in December 2015 and April 2016 - reflecting refinements to each metric and emphasis on original intent vs. “trip avoidance”

▼ Trends

- HQ: FY15 Metrics trended downward or constant, except for Pre-Award Labor Rates and Post-Award ODCs, which increased
- SSC-Atlantic: FY15 Metrics trended downward or constant, except for Pre-Award Labor-Rates and Bridge Contracts and Post-Award Average Labor Rate Variance
- SSC-Pacific: All FY Metrics trended downward or constant, Subcontractor Additions are up in FY16



SPAWAR Pre-Award Performance Metrics

Metric	Threshold	Approver	Change
Bridge Contracting			Implemented the NMCARS Bridge Authorization Request process and thresholds and the subsequent Justification and Approval (J&A) requirements
Bridge Authorizations	$\leq \$700K$ $> \$700K$ and $\leq \$5.5M$ $> \$5.5M$	SSC CCO SPAWAR 2.0 SPAWAR HCA	
Bridge J&As	1 st J&A $> \$13.5M$ and/or 6 Months 2 nd J&A Regardless of \$ or Duration	SPAWAR 2.0 SPAWAR 2.0	Clarified applicability to task orders
Best Value Source Selection Premium	SSC Contracts $\leq \$50M$ SSC Contracts $> \$50M$ SPAWAR HQ Contracts	SSC CCO SPAWAR 2.0 / 2.0A SPAWAR 2.0 / 2.0A	Eliminated requirement for SPAWAR 2.0/2.0A concurrence on SSC contracts $\leq \$50M$
Other Direct Costs (ODCs)	10% of total Labor Value or \$3M (whichever is lower)	Program Manager (or equivalent) Memorandum Provided to the PCO	Eliminated task order level reporting if ODCs are \leq the reported % on the basic ID/IQ
Labor Rates (If more than 500 hours are proposed for a given period of performance)	Fully burdened labor rates in excess of \$165/Hour	Memorandum Signed by Program Manager (or equivalent), SSA, PCO, and Cognizant HQ 2.0 Branch Head or SSC CCO.	Raised rate from \$150/Hour Approval lowered to HQ Branch Head or SSC CCO levels vs. SPAWAR 2.0/2.0A
Competitive One-Bid	$> \$250K$ and $\leq \$10M$ $> \$10M$	Reported to Cognizant HQ 2.0 Branch Head or SSC CCO 2.0 / 2.0 Approval of BCM	No Change

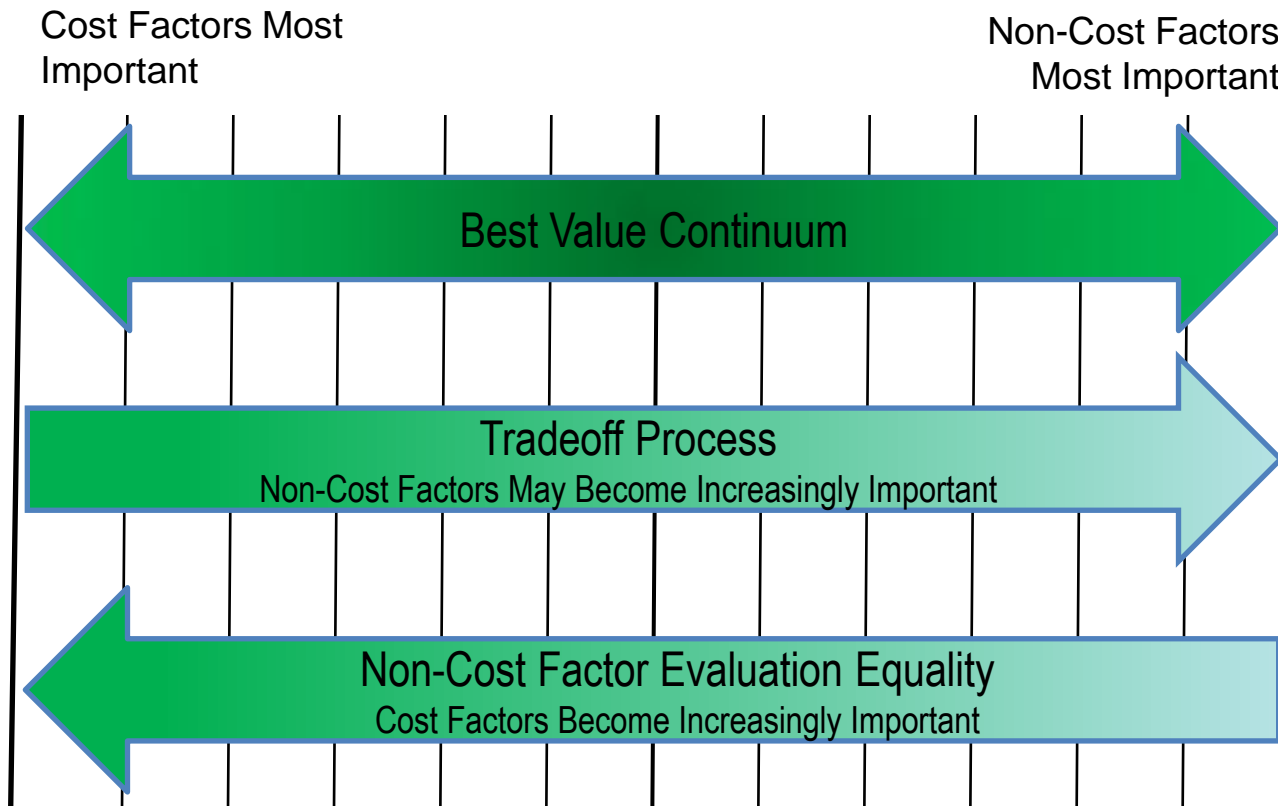


SPAWAR Post-Award Performance Metrics

Metric	Threshold	Approver	Change
Other Direct Costs (ODC)	>10% increase from Original ODC Estimate	Program Manager (or equivalent) Memorandum to the PCO	No Change
Actual Labor Rates (Measured Monthly)	Actual fully burdened labor rates in excess of \$165/Hour	Program Manager (or equivalent) Memorandum to the PCO	Eliminated requirement to report subsequent "trips" unless the rate increases more than 10% from the original
Average Labor Rate Variance	> 15% Variance Quarterly	COR Notice followed by Program Manager (or equivalent) Memorandum to the PCO	Revised from monthly to quarterly reporting (3 month average). Eliminated notice to SPAWAR 2.0/2.0A or SSC CCO.
	Option to request reporting relief if the variance has no chance of being brought back in line	Request from Program Manager (or equivalent) to PCO for Cognizant Branch Head or SSC CCO Approval	Approval of Requests for Relief lowered to HQ Branch Head or SSC CCO levels vs. SPAWAR 2.0/2.0A
Subcontractor Additions	Any addition of a subcontractor after award	Program Manager (or equivalent) Request to the PCO. Approval at One Level above the PCO if the Subcontract is valued over SAT	No Change
Early Option Exercise			Deleted



SPAWAR Best Value Tradeoff vs. LPTA



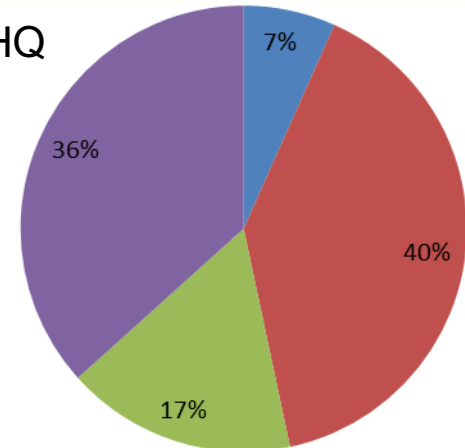


SPAWAR Best Value Tradeoff vs. LPTA

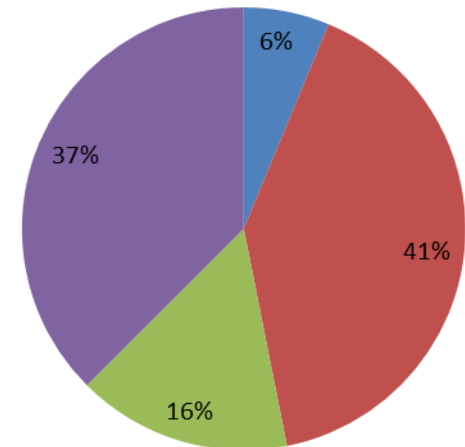
Recent Survey Questions:

1. For your recent competitions, was the selection approach LPTA or Tradeoff?
 - HQ: 1 of 31 competitions was conducted as LPTA
 - SSC LANT: 5 of 37 Competitions were conducted as LPTA
2. If Best value, did award go to:
 - a) An acceptably rated offeror with the lowest evaluated cost?
 - b) The offeror with the best rating and is the lowest (or among the lowest) evaluated cost?
 - c) An offeror with a higher rating and a higher evaluated cost, but not the highest in either category?
 - d) The highest rated offeror with the lowest evaluated cost.

SPAWAR HQ



SSC LANT



- Lowest evaluated cost, acceptably rated
- Lowest evaluated cost, best rated
- Higher evaluated cost and higher rated, but not highest
- The highest evaluated cost, best rated

Best Value Continuum



Communications with Industry

Myths vs. Facts

▼ Abundance of Misconceptions about Industry Communications

- OMB:
 - “Myth-Busting”: Addressing Misconceptions to Improve Communication with Industry during the Acquisition Process, Feb 2, 2011
 - “Myth-Busting 2”: Addressing Misconceptions and Further Improving Communication During the Acquisition Process, May 7, 2012
- DoD / DoN
 - DepSecDef Memo, Policy for Communication with Industry, Jun 21, 2010
 - UnderSecNav Memo, Navy Clarifying Guidance on Communication with Industry, May 4, 2011

Myths	Facts
1. We can't meet one-on-one with a potential offeror.	Government officials can generally meet one-on-one with potential offerors as long as no vendor receives preferential treatment.
2. Since communication with contractors is like communication with registered lobbyists, and since contact with lobbyist must be disclosed, additional communication with contractors will involve a substantial additional disclosure burden, so we should avoid these meetings.	Disclosure is required only in certain circumstances, such as for meetings with registered lobbyists. Many contractors do not fall into this category, and even when disclosure is required, it is normally a minimal burden that should not prevent a useful meeting from taking place.
3. A protest is something to be avoided at all costs - even if it means the government limits conversation with industry.	Restricting communication won't prevent a protest, and limiting communication might actually increase the chance of a protest – in addition to depriving the government of potentially useful information.
See back-up slides for the 10 original Myths and Facts	



Four Phases of Communications with Industry

**Market
Research**

**Solicitation
Release**

**Proposal
Evaluations**

**Contract
Execution**

Occurs:

Prior to solicitation
release

After solicitation
release through
proposal receipt

From proposal
receipt to contract
award

After contract
award through
Close-out

Characterized by:

Assessment:

An ongoing process that
enables the Government to
keep abreast of the latest
technology and product
developments

Investigation:

Communications with potential
offerors to exchange
information and investigate the
market specific to a defined or
identified procurement

Controlled
communication
process to ensure
industry
understanding of &
responsiveness to
official solicitations

Controlled process
to ensure the
integrity of the
procurement and to
protect source
selection sensitive
information

Open and on-going
dialogue with
contract partners
regarding contract
requirements,
progress, and
performance



Office of Small Business Programs (OSBP)

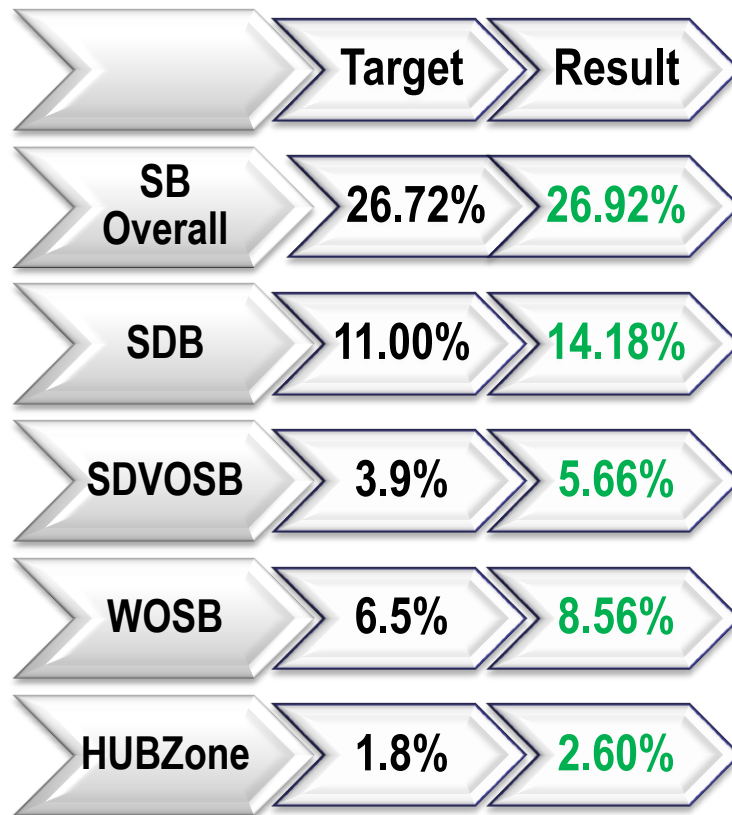
Focus Areas and Initiatives

- ▼ Small business metrics
- ▼ Current DON and SPAWAR OSBP initiatives
- ▼ SPAWAR/PEO Joint Small Business Strategy and Small Business Instruction
- ▼ Recent policy changes (WOSB Program and SBA Final Rule)

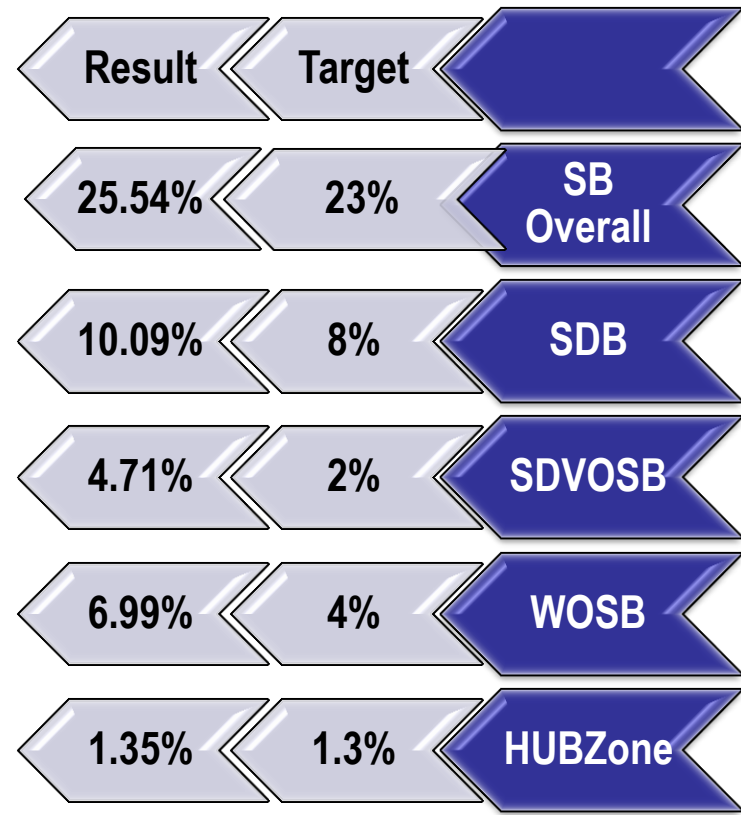


Small Business Statistics - Side-Side Comparison for FY15 and FY16 – YTD as of 6 June 2016

FY16



FY15



FY16 eligible \$/actions = \$2.797B/ 8,939

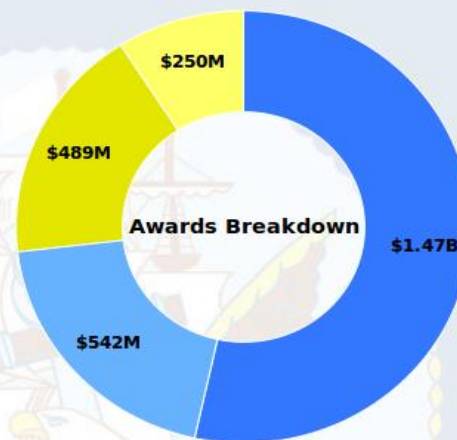
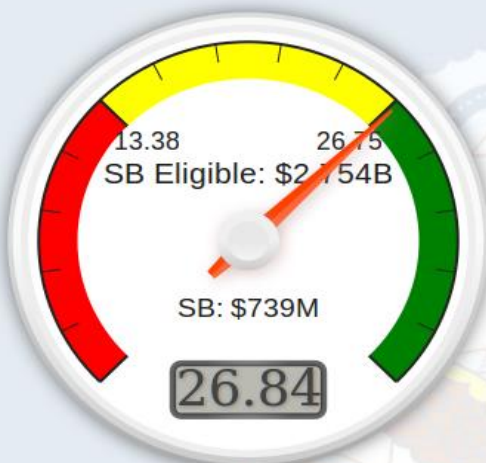
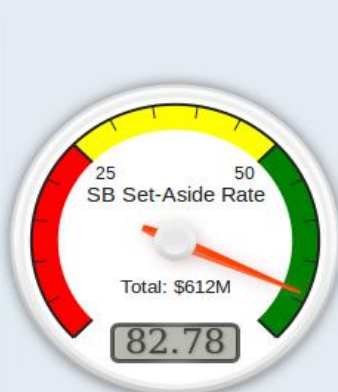
FY15 eligible \$/actions = \$2.367B/ 7,027



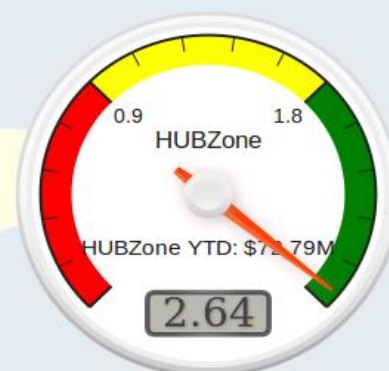
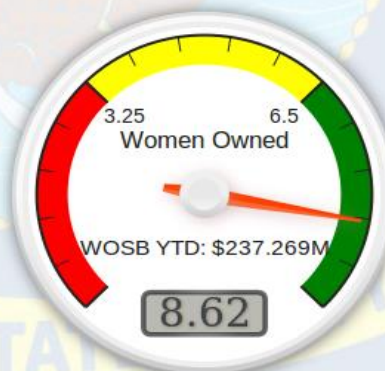
DON Dashboard for SPAWAR



Major Command: SPAWAR Fiscal Year 2016 Small Business Performance Data as of: 01 June 2016



■ SB Service Awards ■ SB Products Awards
■ OTSB Service Awards ■ OTSB Products Awards

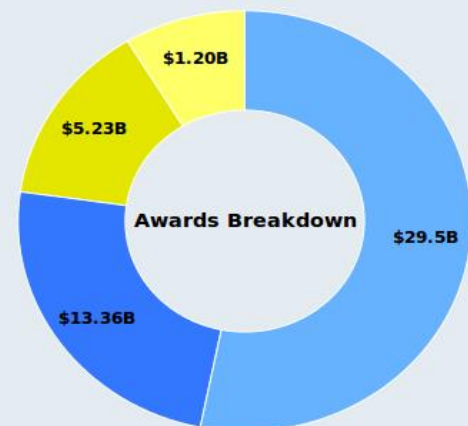
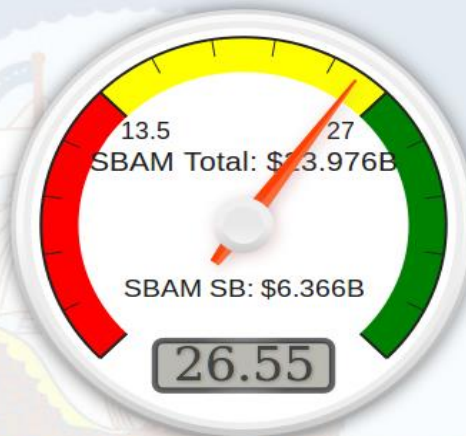
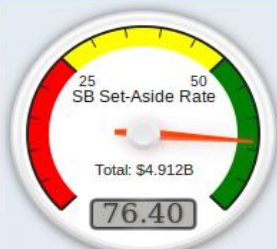




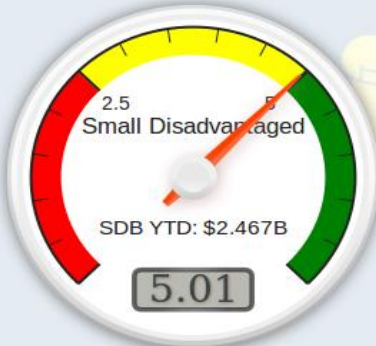
Overall DON Dashboard



Department of the Navy Fiscal Year 2016 Small Business Performance Data as of: 01 June 2016



■ SB Service Awards ■ SB Products Awards
■ OTSB Service Awards ■ OTSB Products Awards





Distribution of Prime Small Business Dollars as of 6 June 2016

HQ	FY15/FY16 Goals	Achieved	Obligated
Small Business	12.50% / 13.89%	15.81%	\$1,273,930,933.46
Small Disadvantaged Business	5.68% / 6.45%	8.65%	\$110,177,872.55
8(a) Procedure	n/a	1.62%	\$20,678,759.16
Veteran Owned Small Business	n/a	8.25%	\$105,075,451.47
Service Disabled Veteran Owned Small Business	4.36% / 4.77%	6.74%	\$85,840,374.39
Women Owned Small Business	3.29% / 3.93%	4.25%	\$54,156,192.50
Certified HUBZone Small Business	.05% / .18%	0.40%	\$5,106,816.15

SSC-PAC	FY15/FY16 Goals	Achieved	Obligated
Small Business	26.00% / 26.00%	39.75%	\$658,528,401.65
Small Disadvantaged Business	6.30% / 6.30%	17.81%	\$117,294,255.46
8(a) Procedure	n/a	3.74%	\$24,603,409.16
Veteran Owned Small Business	n/a	6.25%	\$41,130,541.02
Service Disabled Veteran Owned Small Business	1.80% / 1.90%	3.58%	\$23,562,348.33
Women Owned Small Business	3.80% / 3.80%	10.20%	\$67,182,287.73
Certified HUBZone Small Business	.80% / .90%	4.42%	\$29,099,326.79

SSC-LANT	FY15/FY16 Goals	Achieved	Obligated
Small Business	29.81% / 32%	33.53%	\$864,561,507.38
Small Disadvantaged Business	12.18% / 14.48%	19.57%	\$169,233,363.69
8(a) Procedure	n/a	7.85%	\$67,837,164.30
Veteran Owned Small Business	n/a	7.92%	\$68,447,853.48
Service Disabled Veteran Owned Small Business	2.43% / 2.81%	5.65%	\$48,817,058.69
Women Owned Small Business	4.06% / 9.07%	13.64%	\$117,959,215.46
Certified HUBZone Small Business	1.48% / 2.8%	4.47%	\$38,618,647.64



<https://e-commerce.sscno.nmci.navy.mil>



DON OSBP Focus Areas

- ▼ Professional Workforce Development (Implementing new SB career field)
- ▼ Enhance Collaboration in the Acquisition Process
- ▼ Increase Communication
- ▼ Training for the Acquisition Workforce on SB related topics
- ▼ Improve Metrics (new dashboards, measuring subcontracting, etc.)

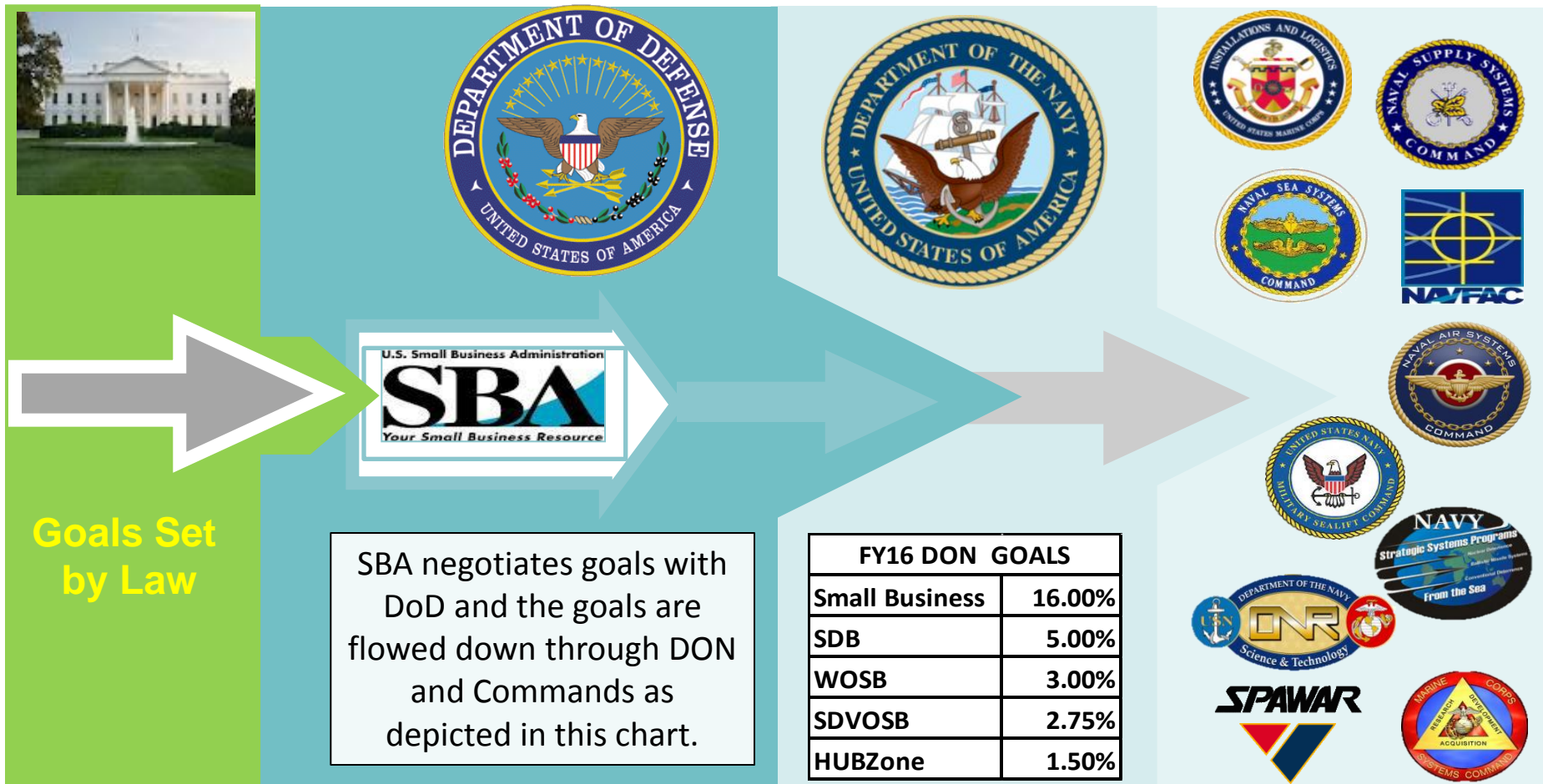


SPAWAR OSBP Initiatives

- ▼ SPAWAR Industry Roundtable events
- ▼ Target setting for FY17
- ▼ Bi-annual forecast of contracts and task orders on Command Multiple Award Contracts issued in May
- ▼ Gold Coast Small Business Conference on 23-24 August
 - PEO C4I and PEO EIS DPM's will be available for one-on-one meetings



Goal Setting Process





Small Business Strategy - Background

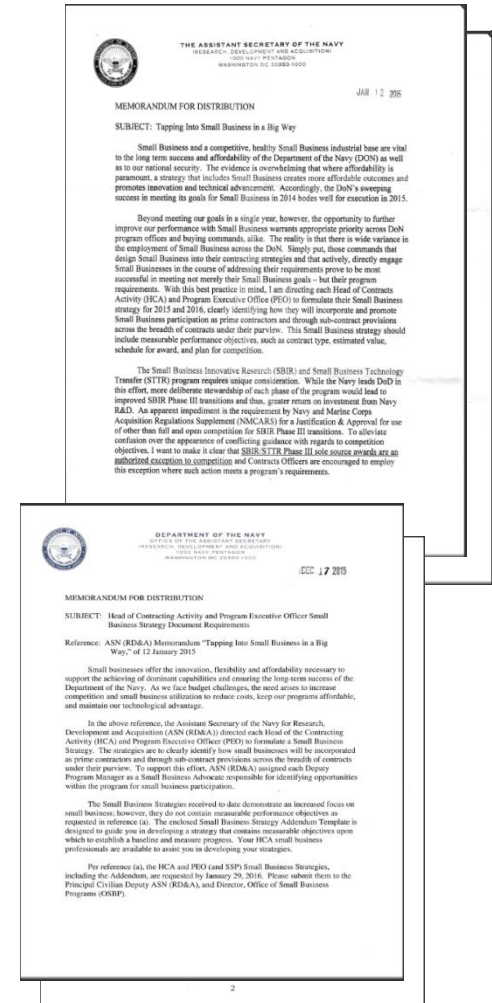
- ▼ ASN (RD&A) Memo of 12 January 2015; Tapping Into Small Business In a Big Way
- ▼ ASN (RD&A) Memo of 17 Dec 2015; HCA and PEO Small Business Strategy Document Requirements
- ▼ Many more policies and memorandums (SBA, OMB, DOD, DON, etc.) with common themes for increasing opportunities for small businesses”





Small Business Strategy continued....

- ASN RD&A recognized there was a wide variance in the employment of Small Business across the Navy.
- Issued the “Tapping Into Small Business in a Big Way” Memorandum on 12 January 2015 directing each Head of Contracts Activity (HCA) and Program Executive Office(PEO) to formulate a Small Business Strategy for 2015 and 2016.
- ASN RD&A **assigned each Deputy Program Manager as the Small Business Advocate** responsible for identifying opportunities within the program for Small Business participation.
- In December 2015, a joint memo was issued by ASN RD&A Principal Civilian Deputy and the DON Office of Small Business Programs (OSBP) Director providing templates to guide the HCA's and PEO's in the development of their strategies.



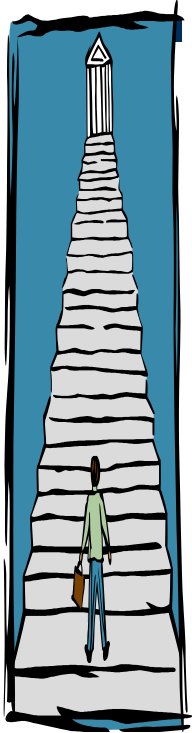


SPAWAR Small Business Instruction

- ▼ Take away - SPAWAR is committed to increasing opportunities for SB and taking necessary steps to meet the established SB targets

Key steps taken – Updated SPAWAR SB Instruction to:

- address the collective responsibility of every leader who manages a budget & allocates funds;
- state expectations for meeting SB targets;
- define roles and responsibilities for acquisition workforce;
- improve awareness; and
- reinforce the SPAWAR culture with respect to leveraging the value of SB's as both prime and subcontractors





SPAWAR Small Business Program

Instruction cont...

- ▼ Scope: The instruction applies to all SPAWAR civilian and military personnel involved in but not limited to:
 - Program Management
 - Requirements forecasting
 - Procurement and source development/source approval functions associated with supplies and services procured by SPAWAR
 - The instruction also applies to the affiliated SPAWAR Program Executive Offices (PEOs), including all reporting Unit Identification Codes (UICS)





WOSB Program History and Changes

Time	Event
Feb 2011	New Federal Acquisition Regulation (FAR) implements WOSB Program. Eligible industries limited to <u>83</u> based on RAND report – <u>45</u> for WOSBs and <u>38</u> for EDWOSBs.
May 2013	Caps on the award size for WOSB set-asides were removed.
December 2014	NDAA 2015 provides sole source authority to the program and removed self-certification. The certification process is currently under review.
December 2015	Sole source process implemented in the FAR
March 2016	Eligible industries revised and expanded to <u>113</u> based on a Dept of Commerce study. <u>36</u> new industries added to the program, <u>6</u> industries removed from the program, and <u>27</u> industries re-designated (between WOSB and EDWOSB).



Requirements for WOSB and EDWOSB Set-Aside Contract Competitions

	WOSB	EDWOSB
INDUSTRIES	NAICS code assigned to solicitation is in an industry in which WOSBs are substantially underrepresented (92 industry codes)	NAICS code assigned to solicitation is in an industry in which WOSBs are underrepresented (21 additional industry codes)
RULE OF 2	Contracting officer has a reasonable expectation that 2 or more WOSBs will submit an offer	
AWARD PRICE	Contract must be awarded at a fair and reasonable price.	



Requirements for WOSB and EDWOSB *Sole-Source Authority Contracts*

- Is the acquisition assigned an eligible WOSB/EDWOSB NAICS code?
- Is the contract (including options) valued at \$6.5 million or less for a requirement with a NAICS Code for manufacturing or \$4 million or less for a requirement within any other eligible NAICS codes?
- Can the contract be awarded to the WOSB/EDWOSB at a fair and reasonable price?
- Is there only one WOSB/EDWOSB that has been determined to be a technically qualified and responsible contractor with respect to performance?



How to demonstrate eligibility: Self- or Third-Party Certification

There are currently ***two ways*** to demonstrate eligibility for the WOSB program:

Self Certification with supporting documents

Free
Register in SAM
Compile and upload all required
documents to the WOSB Repository
Represent status in SAM as WOSB or
EDWOSB

Third Party Certification with supporting documents

- *Fee associated with Third Party Certifiers*
- Register in SAM
- Obtain certification from an SBA-approved Third Party Certifier
 - US Women's Chamber of Commerce
 - Women's Business Enterprise National Council (WBENC)*
 - National Women's Business Owners Council (NWBOC)
 - El Paso Hispanic Chamber of Commerce
- Compile and upload all required documents to the WOSB repository (reduced requirements)
- Represent status in SAM as WOSB or EDWOSB

*Does not perform economic disadvantage determinations



ED/WOSB Certification

- Step 1: Register in SAM
- Step 2: Upload documents on certify.sba.gov

What's new? As of March 2016

- The WOSB Repository has moved from GLS to certify.SBA.gov
- GLS is no longer a valid entry point for the WOSB program
- All existing WOSB/EDWOSBs in the Repository that have updated their content since **1 October 2014** have had their information migrated to new Repository
- All firms will need to check the new Repository to ensure their information has migrated properly and complete the SBA forms 413, 2413, or 2414 (as applicable) in the new electronic format.
- Any firms that did not update after Oct 2014 will need to resubmit as if new
- Step 3: Represent Status in SAM



Summary of SBA Final Rule of 31 May 2016

▼ Summary

- Effective on June 30, 2016
- Amends SBA regulations to implement provisions of the NDAA of 2013
- Amends SBA regulations concerning non-manufacturer rule and affiliation rules
- Allows joint ventures to qualify as small for any government procurement as long as each partner qualifies individually under the size standard corresponding to the assigned NAICS code assigned in the solicitation

▼ http://www.acq.osd.mil/dpap/dars/far_case_status.html



Questions ?



Back-up Information

Myths vs. Facts OMB Myth-busting Memo #1



Myths vs. Facts

Myths	Facts
1. We can't meet one-on-one with a potential offeror.	Government officials can generally meet one-on-one with potential offerors as long as no vendor receives preferential treatment.
2. Since communication with contractors is like communication with registered lobbyists, and since contact with lobbyist must be disclosed, additional communication with contractors will involve a substantial additional disclosure burden, so we should avoid these meetings.	Disclosure is required only in certain circumstances, such as for meetings with registered lobbyists. Many contractors do not fall into this category, and even when disclosure is required, it is normally a minimal burden that should not prevent a useful meeting from taking place.
3. A protest is something to be avoided at all costs - even if it means the government limits conversation with industry.	Restricting communication won't prevent a protest, and limiting communication might actually increase the chance of a protest – in addition to depriving the government of potentially useful information.



Myths vs. Facts

Myths	Facts
4. Industry days and similar events attended by multiple vendors are of low value to industry and the government because industry won't provide useful information in front of competitors, and the government doesn't release new information.	Well-organized industry days, as well as pre-solicitation and pre-proposal conferences, are valuable opportunities for the government and for potential vendors – both prime contractors and subcontractors, many of whom are small business.
5. The program manager already talked to industry to develop the technical requirements, so the contracting officer doesn't need to do anything else before issuing the Request for Proposals (RFP).	Technical requirements are only part of the acquisition; getting feedback on terms and conditions, pricing structure, performance metrics, evaluation criteria, and contract administration will improve the award and implementation process.
6. Giving industry only a few days to respond to an RFP is okay since the government has been talking to industry about the procurement for over a year.	Providing only short response times may result in the government receiving fewer proposals and the ones received may not be as well-developed, which can lead to a flawed contract. This approach also signals that the government isn't really interested in competition.



Myths vs. Facts

Myths	Facts
7. Getting broad participation by many different vendors is too difficult; we're better off dealing with established companies we know.	The government loses when we limit ourselves to the companies we already work with. Instead, we need to look for opportunities to increase competition and ensure that all vendors, including small businesses, get fair consideration.
8. Conducting discussions/negotiations after receipt of proposals will add too much time to the schedule.	Whether discussions should be conducted is a key decision for contracting officers to make. Avoiding discussions solely because of schedule concerns may be counterproductive, and may cause delays and other problems during performance.
9. If the government meets with vendors that may cause them to submit an unsolicited proposal and that will delay the procurement process.	Submission of an unsolicited proposal should not affect the schedule. Generally, the unsolicited proposal process is separate from the process for a known agency requirement that can be acquired using competitive methods.



Myths vs. Facts

Myths

10. When government awards a task or delivery order using the Federal Supply Schedules, debriefing the offerors isn't required so it shouldn't be done.

Facts

Providing feedback is important, both for offerors and the government, so agencies should generally provide feedback whenever possible.

“Access to current market information is critical for agency program managers as they define requirements and for contracting officers as they develop acquisition strategies, seek opportunities for small businesses, and negotiate contract terms. Our industry partners are often the best source of this information, so productive interactions between federal agencies and our industry partners should be encouraged to ensure that the government clearly understands the marketplace and can award a contract or order for an effective solution at a reasonable price.” – Daniel I. Gordon, (Former) Administrator OFPP



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

February 2, 2011

MEMORANDUM FOR CHIEF ACQUISITION OFFICERS
SENIOR PROCUREMENT EXECUTIVES
CHIEF INFORMATION OFFICERS

FROM: Daniel I. Gordon
Administrator for Federal Procurement Policy

SUBJECT: “Myth-Busting”: Addressing Misconceptions to Improve Communication with Industry during the Acquisition Process

With expenditures of over \$500 billion annually on contracts and orders for goods and services, the federal government has an obligation to conduct our procurements in the most effective, responsible, and efficient manner possible. Access to current market information is critical for agency program managers as they define requirements and for contracting officers as they develop acquisition strategies, seek opportunities for small businesses, and negotiate contract terms. Our industry partners are often the best source of this information, so productive interactions between federal agencies and our industry partners should be encouraged to ensure that the government clearly understands the marketplace and can award a contract or order for an effective solution at a reasonable price. Early, frequent, and constructive engagement with industry is especially important for complex, high-risk procurements, including (but not limited to) those for large information technology (IT) projects. This is why increasing communication, in the form of a “myth-busters” educational campaign, is one of the key tenets of the Office of Management and Budget’s 25 Point Implementation Plan to Reform Federal IT Management.¹

The Federal Acquisition Regulation (FAR) authorizes a broad range of opportunities for vendor communication², but agencies often do not take full advantage of these existing flexibilities. Some agency officials may be reluctant to engage in these exchanges out of fear of protests or fear of binding the agency in an unauthorized manner; others may be unaware of effective strategies that can help the acquisition workforce and industry make the best use of their time and resources. Similarly, industry may be concerned that talking with an agency may create a conflict of interest that will preclude them from competing on future requirements, or industry may be apprehensive about engaging in meaningful conversations in the presence of other vendors.

¹25 Point Implementation Plan to Reform Federal Information Technology Management available at <http://cio.gov/documents/25-Point-Implementation-Plan-to-Reform-Federal-IT-2011.pdf>

²For example, FAR 10.002(b)(2) authorizes a wide range of techniques for conducting market research, including participation in interactive, online communications with industry.



Resources

SBA's website: www.sba.gov/wosb

- ▶ For questions on the WOSB program, you can email wosb@sba.gov
- ▶ For questions on the new system, you can email certify@sba.gov

Call SBA's Answer Desk: 800-827-5722